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March 8, 1995

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

RE: PR Docket No. 94-105; Petition of the People of the State of California
and the Public Utilities Commission of the State of California to Retain
Regulatory Authority Over Intrastate Cellular Service Rates

Dear Mr. Caton:

Attached is a copy of a filing made in PR Docket 94-105. Copies have been provided to Ruth Milkman, David Siddall, Michael Wack, Lisa Smith and Rudy Baca. Please associate this material with the above-referenced proceeding.

Two copies of this notice are being submitted to the Secretary in accordance with Section 1.1206(a)(1) of the Commission's Rules.

Please stamp and return the provided copy to confirm your receipt. Please contact me at 202-293-4955 should you have any questions or require additional information concerning this matter.

Sincerely,

Kathleen Q. Abernathy

Attachments

No. of Copies rec'd
List A B C D E

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History of Cellular Regulation in California

1983 the CPUC decided that cellular carriers must obtain a Certificate of Public Convenience and Necessity (CPCN) to operate in California.

1984 AirTouch begins operation of its cellular system; CPUC requires cellular rates to be tarified to ensure the rates are just and reasonable.

CPUC also required cellular carriers to offer wholesale rates to resellers with a prescribed margin discount from its retail rates, now known as **reseller margin**.

New rate plans or rate changes only permitted after submission of tariff filing (referred to as Advice Letter) on minimum of 40 days notice.

New rates that were protested could not go into effect absent a CPUC decision; protests generally filed by the resellers because of disputes over the amount of the reseller margin discount.

Bundling of cellular service and equipment prohibited (proposal to lift restriction has been pending for three years).

June 1990 CPUC adopts Temporary Tariff Rule which enabled cellular carriers to reduce **existing** prices up to 10% on one day notice (see attached chart for list of rate reductions filed from 1990 to 1994 pursuant to this authority).

Applied only to existing rates, new rate plans still introduced via standard Advice Letter process (30 days instead of 40 days).

If cellular carrier subsequently decided to **increase** rates following a rate reduction, it had to make a formal filing and await CPUC Order.

April 1993 CPUC adopts rate band policy that permits carriers to raise rates back to original tarified levels (following rate reductions) or lower rates by any amount on one day notice without prior CPUC approval.

Margin requirement for resellers retained; existing tariff rates serve as ceiling rates.

August 1994 the CPUC retained existing rate band pricing guidelines which cap rates at existing levels. Also implemented **new rules** that require unbundling of competitive services currently bundled into wholesale rates.

Purpose of unbundling is to allow resellers to purchase switch that will interconnect with the cellular carriers switch.

Unbundled rates capped at existing levels, reseller margin of between 14-38% maintained.

New pricing plans may not be tarified on one day's notice; must be filed under 30 day notice process.

Advice Letters Reducing Prices, January 1990 - September 1994

Los Angeles SMSA Limited Partnership

1990

AL#	Effective Date	Purpose of Filing
58	03/22/90	Introduce a rate plan for Government entities - will provide reduced rates for activation, access & usage
59	03/23/90	Establish an Emergency Rule-Waive or reduce tariff charges
60	04/12/90	Reduce minimum usage requirement in the Wholesale Off-peak plan
72	09/01/90	Provide 3 months of Call accounting Free to new Basic Plan customers
74	09/14/90	Eliminate monthly charge for Call Waiting
78	10/10/90	Waive service establishment charge for reactivating service
79	10/18/90	Establish Neighborhood Plans for Oxnard/Ventura Neighborhood at reduced access & usage

1991

86	01/04/91	Introduce Automatic roaming and eliminate deposit special conditions
95	04/21/91	Reduce minimum number of minutes to qualify for waiver of Custom Calling Feature charge and Re-installation program
98	04/08/91	Reduce the charge for resellers changing Long Distance carrier
102	06/21/91	Reduce the service establishment charge and usage charge for Government Plan
111	07/31/91	Introduce a discount 2nd Phone Program

1992

122-A	04/13/92	Reduce ESN change charge for resellers
131-C	11/06/92	Reduced charges for retail and wholesale customers which roam to San Diego - "home rates" apply
132	04/30/92	Introduce discounts on monthly access and usage for May-December for resellers
146	07/18/92	Re-introduce a cooperative advertising program wherein resellers could accrue co-op funds of \$25 per activation
148-A	08/25/92	Service Establishment Charge waived for new retail customers and for resellers' new end-users for 90 days
156	09/03/92	Introduce a \$10 reduction in monthly access for a second phone for retail customers (on either the Basic or Premium Plans)

Los Angeles - Continued

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|-------|----------|---|
| 160-A | 10/30/92 | Introduce a Basic Plus Plan and a Premium Plus Plan which provide for monthly access, voice mail, and customer calling features for a single rate less than the sum of the individual components; a wholesale Basic Plus Plan was also introduced |
| 169-A | 11/16/92 | Promotional program which gave retail customers 25 minutes of off-peak usage. Resellers received an offset credit of \$5.55 per number which the reseller agrees to sign up for the program |
| 172 | 11/22/92 | Service establishment charge waived for new retail customers and resellers new end-users for 90 days |

1993

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|-----|----------|--|
| 193 | 01/28/93 | Reduced wholesale basic service peak and off-peak usage rates by eliminating first of two tiers |
| 197 | 02/10/93 | Re-introduce free 25 minutes of off-peak usage promotion for new retail customers with wholesale off-set |
| 209 | 05/08/93 | Establish Memorial Day as a holiday (Off-Peak) |
| 211 | 04/13/93 | Re-introduce an Airtime Credit Promotion off for retail and wholesale customers of contract plans |
| 213 | 05/26/93 | Promotional temporary waiver of Service Establishment Fee |
| 217 | 05/01/93 | Introduce a wholesale incentive plan |
| 220 | 06/06/93 | Provide free public service calls from mobile phones |
| 229 | TBD | Introduce six new reduced rate Super-Value Plans for retail and wholesale customers |
| 240 | 07/13/93 | Reduce Super-Value Plan rates via the Rate band Pricing Guidelines |
| 246 | 09/02/93 | Introduce a temporary promotion as part of the Wholesale Incentive Program |
| 252 | 09/12/93 | Introduce a promotion waiving service establishment charges for subscribers to the Corporate/Volume Purchaser Plans |
| 262 | 10/23/93 | Extend the existing wholesale incentive program for resellers |
| 263 | 10/24/93 | Introduce a Sales Agent Plan |
| 266 | 10/31/93 | Introduce a promotion waiving service establishment charge for subscribers who move or transfer between PacTel Cellular affiliates |
| 276 | 11/05/93 | Re-introduce Free Off-peak Airtime Promotion |
| 277 | TBD | Introduce a \$100 Credit Promotion for Super-Value Plan subscribers |

Los Angeles - Continued

284	11/30/93	Introduce a wholesale incentive program
285	12/01/93	Introduce a one-day promotion crediting service establishment charges for retail and wholesale customers
292	12/23/93	Introduce a promotion crediting service establishment charges for retail and wholesale customers
293	12/31/93	Introduce a \$100 Credit January Promotion and a waiver of service establishment charges for Super-Value Plan subscribers
294	12/31/93	Re-introduce a Free Off-Peak Airtime Promotion for retail and wholesale customers

1994

297	01/13/94	Introduce a \$100 Credit Promotion for Corporate/Volume Purchaser Contract Plan subscribers
302	02/11/94	Waive airtime charges to Company's Info Center Service
308	02/25/94	Provide a Service Establishment Charge Credit to promotion selected service plans
324	04/30/94	Provide a waiver of Service Establishment Charge for Subscribers who transfer service between AirTouch and Cellular Affiliates
325	03/31/94	Extend earthquake response assistance program for free information calls
326	04/05/94	Introduce a promotion to incent resellers to demonstrate Company's system
327	04/06/94	Allow Corporate/Volume Purchaser Contract Plan subscribers to aggregate MIN/ESNs from selected plans for rate reductions
333	04/08/94	Introduce a Contract Plan Promotion
340	04/22/94	Introduce a promotion crediting Service Establishment Charge
354	05/20/94	Introduce a promotion crediting Service Establishment Charge
355	05/25/94	Provide a rate reduction of Custom Calling Features
366	06/10/94	Introduce a waiver of Early Termination Fees
367	06/13/94	Introduce several new Two-Year Contract Plans
368	06/13/94	Introduce a credit promotion of new Two-Year Contract Plans
369	06/13/94	Introduce a promotion for new Two-Year Contract Plans
371	06/15/94	Modify deposit conditions and eliminate certain wholesale change charges
372	06/17/94	Introduce a promotion waiving Service Establishment Charge for selected rate plans
376	06/22/94	Introduce a promotion for Company's Corporate/Volume Purchaser Contract Plans

Los Angeles - Continued

379	07/01/94	Introduce an incentive program for resellers
384	07/07/94	Introduce a Service Establishment Fee waiver promotion
385	07/13/94	Introduce a Contract plan for resellers of volume cellular services
392	07/21/94	Introduce a promotion for waiver of Service Establishment Fee
394	07/26/94	Introduce a promotion for waiver of Service Establishment Fee
395	07/27/94	Introduce a promotion for waiver of Service Establishment Fee
404	08/15/94	Reduce prices on selected contract plans under Rate band Pricing Guidelines
408	08/15/94	Extend a Service Establishment Fee Waiver promotion
411	08/24/94	Promotion for Corporate/Volume Purchaser and Gov't Contract Plans
412	08/26/94	Promotion for Waiver of Service Establishment Fee.
423	09/02/94	Promotion to offer \$10.00 per month credit for customers on Two Year Super-Value Plan or Ventura Neighborhood Plan
424	09/02/94	Bill credit promotion for resellers activating end users in September and October 1994 and enhancement to cooperative advertising program
428	09/16/94	Introduction of Super-Value Starter Plan
429	09/16/94	Promotion crediting \$5.00 per month for 6 months for customers on Super-Value Starter Plan

Advice Letters Reducing Prices, January 1990 - September 1994

PacTel Cellular - San Diego

1990

<u>AL #</u>	<u>Effective Date</u>	<u>Purpose of Filing</u>
40	04/07/90	Establish Emergency Service Rule. Waive or reduce tariff charges
44	06/29/90	Update listing of No Charge Calls including San Diego Crime Commission
46	08/30/90	Introduce a Government rate plan with reduced rates
49	11/04/90	Eliminate change charge for certain situations

1991

53	01/05/91	Eliminate deposit special conditions for roamer
56	07/28/91	Modify the way Change Charge & Service Establishment charges are calculated
58	04/19/91	Reduce roaming charges for Imperial RSA subscribers when roaming in San Diego CGSA
62	06/10/91	Introduce a discounted Flex Plan, Established Sub-minute Billing Option and add Memorial Day as a holiday
67	07/22/91	Introduce Off-Peak Promotion
69	07/24/91	Introduce a Government Promotion Plan, offers reduced rates for entities between 7/29/91 - 12/31/91
70	08/29/91	Modify tiered access charges on the Flex Plan, results in reduction in access charges. Adds custom calling features at no charge for Personal Plan.
72	11/04/91	Modify Government Promotion Plan -produces reduced rates for existing and new customers between 11/4/91 - 9/30/92
78	11/15/91	Introduce a new rate plan to PTC customers in Imperial RSA
79	12/15/91	Introduce two new rates plans for Imperial RSA PTC customers. Deletes charges for Call Forwarding

1992

92	11/06/92	Modify Roamer Rates
93	05/29/92	Eliminate change charge to add optional features
102	08/01/92	Introduce the Government Access promotion

San Diego - Continued

108	12/02/92	Reduced monthly access and usage rates for existing Government plan customers for eight months
115	12/04/92	Introduced Flex Annual Plan which provides monthly access at half of the regular rate for the first 90 days (savings of \$13-17.50 per number)

1993

132	06/08/93	Introduce Free Off-Peak Airtime Promotion
133	07/21/93	Introduce the Security Plan, Convenience Plan, Advantage 120 Plan, Advantage 220 Plan & Advantage 420 Plan
134	07/31/93	Introduce the Government Plan II and the Government Access Plan
136	07/21/93	Introduce Free Airtime Credit Promotion
141	08/23/93	Introduce Free Airtime Credit Promotion
145	09/27/93	Introduce Free Airtime Credit Promotion
147	10/31/93	Introduce the Waiver of Service Establishment Charge Promotion
148	11/15/93	Provide temporary Waiver of Service establishment Charge
149	11/14/93	Introduce First Month Bill Credit Promotion
152	12/05/93	Offer temporary waiver of early termination fee for Annual Plans holiday gift returns or exchanges
153	12/23/93	Introduce After Christmas Service Establishment Waiver Promotion

1994

155	01/01/94	New year's Service Establishment Waiver Promotion
160	01/15/94	January '94 Service Establishment Waiver Promotion
162	02/10/94	Temporary Waiver of Service Establishment
163	03/02/94	Disabled Plan--new, reduced pricing plan
164	02/09/94	Free Airtime Credit Promotion
165	03/13/94	First Month Bill Credit Promotion
166	03/13/94	March/April Service Establishment Waiver Promotion
172	04/30/94	Service Establishment Waiver
174	05/04/94	Service Establishment Waiver
175	05/11/94	Waiver of Early Termination Fee When Transferring Between Annual Plans
180	06/10/94	Waiver of early Termination Fees
185	08/01/94	Waiver of Service Establishment and Provide Credit on Bill Promotion
189	08/01/94	Service Establishment Waiver Promotion
192	08/19/94	Bill Credit Promotion

San Diego - Continued

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| 193 | 09/01/94 | Waiver of Contract Plan Termination fee in certain specific
Circumstances |
| 194 | 09/01/94 | September '94 Service Establishment Waiver and Bill
Credit Promotion |

Advice Letters Reducing Prices, January 1990 -September 1994

Sacramento-Valley Limited Partnership

1990

<u>AL #</u>	<u>Effective Date</u>	<u>Purpose of Filing</u>
29	03/01/90	Waive service activation charges for Chico CGSA customers which switch from the competitor from 3/1/90-8/31/90
30	03/1/90	Establish Emergency Service Rule. Reduce or waive tariffed charges
34	06/29/90	Update listing of No Charge Calls. Include retail deposit procedures
45	12/21/90	Waive service establishment charges for new customers in the Chico CGSA from 11/21/90-1/31/91
46	12/22/90	Introduce Chico CGSA Service Establishment charge waiver

1991

47	01/05/91	Introduce a government rate plan with reduced charges
48	01/05/91	Introduce call hand off and eliminate roamer deposit special condition
49	01/18/91	Reduce Automatic Roaming rates for 2 carriers in neighboring RSA's
60	08/16/91	Temporary Waiver of Activation charge for new Chico CGSA customers
62	07/19/91	Add additional discounted tier to Government rate plan
73	11/15/91	Eliminate monthly charge for Call Forwarding feature

1992

93	08/02/92	Eliminate change charge for adding optional features
99	09/30/92	Add an additional discount tier to the Government Plan
100	10/02/92	Eliminate the Service Establishment Charge for Government accounts which qualify for the maximum discount tier
110	12/06/92	Waived service establishment charge for retail and wholesale customers which activate 150 or more numbers during November and December

**Sacramento - Continued
1993**

120	02/19/93	Eliminated usage charges for calls to selected companies providing roadside assistance for automobile problems
141	10/31/93	Introduce Waiver of Service Establishment Charge Promotion
144	11/12/93	Introduce the California Choice Plans: CAL 50, CAL 150, CAL 300 & CAL 500
145	11/12/93	Introduce Waiver of Service Establishment Charge Promotion
158	01/04/94	Extends Waiver of Service Establishment Charge Promotion

1994

163	04/30/94	Provide a waiver of Service Establishment Charge for Subscribers who transfer service between AirTouch Cellular affiliates
164	05/06/94	Waive usage charges for Mothers' Day
170	06/17/94	Waive usage charges for Fathers' Day
171	07/01/94	Waive usage charges for 4th of July
173	07/05/94	Introduce CAL 50 Plan for Area A
174	07/05/94	Promotional reduction in CAL 50 Plan Charge
178	07/29/94	Introduce Waiver of Service Establishment Charge Promotion
179	08/16/94	Reduce Government Plan Rates for Area B
180	08/18/94	Reduce CAL 50 Plan rates in Area A under Rate Band Pricing Guidelines
182	09/01/94	Promotional reduction of Call Completion optional feature

Advice Letters Reducing Prices, January 1990 - September 1994

Bay Area Cellular Telephone Company

1990

<u>AL #</u>	<u>Effective Date</u>	<u>Purpose of Filing</u>
35	02/11/90	Establish Emergency Service Rule-allows waiver or reduced tariff charges
37	03/09/90	Promotion for new customer - 120 minute peak credit for Basic Plan-60 minute peak credit for Personal Communication Plans
38	05/02/90	Sets peak period rate at Flat per minute for Government plan-Reduces low users volumes charges

1991

78	02/23/91	Introduce a new Large Organization Plan
80	02/25/91	Promotion for each access number ordered will receive 60 minutes P/OP under the Basic Service plan and the Personal Communications Plan
88	04/16/91	Introduce a tiered access charge for the Basic Service Plan that will result in a reduction for customers which use at least 100 min./month
89	04/16/91	Introduce a new Executive Plan with lower charges
103	10/12/91	Establishes a waiver of service establishment charge when a customer transfers services to BACTC from a Block A affiliate

1992

132	01/10/92	Introduced a promotional offer which permits calls at no charge to a traffic information service up to a value of \$100 for retail customers and up to \$80 for wholesale customers' end users
137	03/27/92	Reduced prices for subscribers to the Large Organization Service Plan by increasing access and usage discounts
138	03/28/92	Extended through June 15th of the traffic information service promotion introduced by AL 132
148	06/10/92	Introduced the EnableLink SM rate plan (at retail and wholesale) for end users who are visually impaired and or mobility impaired

Bay Area Cellular Telephone Company - Continued

149	05/15/92	Introduced a retail/wholesale free airtime promotional offer for various service plans, e.g., Basic Service Plan customers receive a credit of 75 peak minutes
155	07/02/92	Introduced a promotional offer for July 3rd wherein customers receive up to 110 peak or off-peak minutes of usage free
179	11/23/92	Eliminated usage charge for calls to BACTC's direct sales staff
180	11/30/92	Provided service to SF Police Department at reduced rates per letter agreement
183	12/13/92	Waived service restoral charge for retail customers which reactivate service within 60 days of discontinuance of service
185	11/16/92	Introduced a new retail and wholesale airtime promotion for various service plans, e.g., Basic Service Plan customers receive a credit of 150 peak minutes
186	12/30/92	Extended promotional offer wherein Custom Calling Features are provided free of charge to current and new retail and wholesale customer until December 31, 1993

1993

193	04/01/93	Introduced a new Volume User Plan and decreases the number of access numbers that a wholesale customer must initially order
196	03/15/93	Introduced a new retail and wholesale airtime promotion for various service plans, e.g., Basic Service Plan customers received a credit of 100 peak minutes
204	04/19/93	Introduced 6 new rate plans, extend Free Airtime Promotion to May 17, 1993 and include 6 new rate plans in the promotion
205	04/26/93	Reduce access charge for Basic Service Plan-retail and wholesale
226	10/02/93	Waive first 10 seconds of airtime for voicemail, waive charges for initializing voice mail
231	10/18/93	Reduce access charge for Basic Service Plan-retail and wholesale
232	10/18/93	Introduce a new R/W joint account promotion
233	10/20/93	Reduce access charge for Basic Service Plan-retail and wholesale
233-A	11/19/93	Reduce access charge for Basic Service Plan-retail and wholesale

Bay Area Cellular Telephone Company - Continued

240	11/24/93	Reduce access charge for Basic Service Plan-retail and wholesale
241	12/31/93	Extends Custom Calling Features Promotion until 6/30/94
244	12/06/93	Introduce a new Occasional Plan and Standard Plan Promotion

1994

257	03/15/94	Reduce the access rates for BACTC's Security Plan, Occasional Plan, Standard Plan, Value Plan, Advantage Plans and Premium Plan in the retail and wholesale tariff from the time period beginning on March 15, 1994 and ending on May 13, 1994
266	05/04/94	Promotional offer to reduce the service activation fee for BACTC's Corporate Management Plan in the retail tariff
275	07/14/94	Introduce the Emergency Preparedness Plans - Analog and Digital
277	06/24/94	Introduce an Activation Waiver Airtime Promotion to certain rate plans in BACTC's retail, wholesale and grandfathered rate plan tariffs
279	07/01/94	Extend the Activation Waiver promotion to August 8, 1994, in BACTC's retail and wholesale tariffs
280	07/01/94	Introduce a new summer promotion in BACTC's retail and wholesale tariffs. (Free usage through September 4, 1994)
286	07/29/94	Extend BACTC's custom calling features promotional offer for retail and wholesale customers until December 31, 1994
292	09/15/94	Introduce a Digital Flex Plan
294	09/15/94	Introduce the new Digital Activation Promotion in the retail and wholesale tariff. (\$300 airtime credit)
295	09/15/94	Introduce the Fall 1994 Promotion in the retail and wholesale tariff. (Free incoming calls)